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## COMMERCE, DEPARTMENT OF

More than 4,000 prospective customers and business contacts in the Middle East are contained in a Trade List recently updated by the U.S. Department of Commerce. The directory, entitled "Bahrain, Kuwait, Oman, Qatar, and the United Arab Emirates: Business Firms," includes detailed information on manufacturers, agents, distributors, retailers, and general importers in all product and service sectors in the Near East Gulf States. In a related matter, 1,800 overseas trade contacts in the electronic components industry have been published in a new directory by the Commerce Department (see U.S. Dept. of Commerce news releases ITA 83-133 and 83-139). Both trade lists may be obtained for \$40 each (prepaid) from the U.S. Department of Commerce, Office of Trade Information Services, P.O. Box 14207, Washington, D.C. 20044. Credit card orders may be placed at (202) 377-2432.

## DEFENSE, DEPARTMENT OF

A Cost Accounting Standards Board within the Department of Defense (DOD), with the status of an advisory committee, is a proposal which has been sent by DOD to all affected Federal government departments, the uniformed services, and industry associations. As currently envisioned, the DOD CASB would have eight members, including a member of the public accounting profession, defense industry, and academia. The former Cost Accounting Standards Board went out of business 3 years ago when Congress ceased funding the Board. This new Board, within DOD, could be 4 months from being operational, according to a DOD spokesman, if the decision to implement it occurs.

## FEDERAL DEPOSIT INSURANCE CORPORATION

Brokered Deposits, Limitations on Deposit Insurance, is the subject of a notice of proposed rulemaking by the Federal Deposit Insurance Corporation and the Federal Home Loan Bank Board (see the 1/23/84 Fed. Reg. pp. 2787-91). If adopted, these amendments would limit the insurance coverage afforded to deposits placed by or through a broker with an insured bank or savings associations. The proposed regulations would define brokerage to encompass current business arrangements that the agencies believe "facilitate misuses of federal deposit insurance". Further, the "agencies have determined that deposit brokerage has a sufficiently adverse effect upon depository institutions to warrant remedial regulatory action". For example, of the 72 commercial banks that failed between 2/82 and 10/15/83, most had substantial brokered deposits, constituting 16% of the total deposits held by them. The FDIC and FHLBB "do not intend to disturb traditional deposit relationships. Accounts held by agents would remain insured up to \$100,000 per principal, provided that the agent is not engaged in the business of placing deposits". Comments must be received by 3/8/84. For further information contact Joseph DiNuzzo at 202/389-4171.

## NATIONAL CREDIT UNION ADMINISTRATION

Claims to recover "as much as \$7.5 million in losses incurred by the NAFCU Corporate Federal Credit Union in the 1982 Penn Square Bank Failure" have been referred to the Justice Department by the National Credit Union Administration Board, according to a 1/26/84 NCUA news release. Possible defendants in such a suit, according to the release, "include certain Penn Square officials; Peat Marwick Mitchell & Co., Penn Square's auditing firm; Professional Asset Management, and certain banks which maintained close ties to Penn Square Bank". NAFCU Corporate Federal Credit Union, Arlington, Virginia was holding Penn Square certificates of deposit totalling, with accrued interest, over \$9.4 million, all but \$100,000 uninsured, when the bank was declared insolvent and closed on 7/5/82. The FDIC, the Penn Square receiver, has thus far paid out approximately \$1.9 million on those certificates. According to the NCUA news release, the Justice Department will review the claims and, if in agreement, file suit on behalf of the NCUA.

Rules governing a federal credit union's ownership of fixed assets are the subjects of a request for comments by the National Credit Union Administration (see the 1/25/84 Fed. Reg. pp. 3087-90). The NCUA is soliciting comments on whether, and to what extent, it should modify the requirements governing a federal credit union's ownership of fixed assets. Among the specific questions the NCUA has listed for comment is: "Should the NCUA Board establish specific regulations governing the accounting for the purchase, sale, and disposal of fixed assets, including any gains resulting from such sales?" Comments must be received on or before 5/21/84. For further information contact Layne Bumgardner at 202/357-1065.

## SMALL BUSINESS ADMINISTRATION

Rules governing the collection of debts owed to the U.S. Small Business Administration (SBA) and to the United States have been proposed by the SBA as a part of a new collection process (see the 1/25/84 Fed. Reg. pp. 3090-93). Three additional procedures, according to SBA are: (1) Information disclosure to consumer reporting agencies; (2) salary offset; and (3) administrative offset. These procedures are separate and distinct from each other and any one procedure may be used by itself or in conjunction with one or both of the other two procedures. These procedures, according to SBA, may only be utilized after the normal SBA collection procedures "are tried and found to be unproductive". In addition, all three procedures allow for review of the claim prior to initiating the particular procedure. Comments must be received by 2/24/84. For further information contact Martin Teckler at 202/653-6797.

## TREASURY, DEPARTMENT OF

Regulations relating to individual retirement plans, simplified employee pensions, and qualified voluntary employee contributions have been proposed by the IRS (see the 1/23/84 Fed. Reg. pp. 2794-2802). Designed to provide the public with guidance in complying with the Economic Recovery Tax Act of 1981. the

regulations would effect: institutions which sponsor individual retirement plans and simplified employee pensions; employers and individuals who use individual retirement plans and simplified employee pensions for retirement income; employers who maintain plans which accept qualified voluntary employee contributions; and, employees who make qualified voluntary employee contributions. The regulations would be generally effective for taxable years beginning after December 31, 1981. Written comments and requests for a public hearing must be made by March 23, 1984. For further information, contact William D. Gibbs at 202/566-3430.

Taxpayers may file returns claiming Individual Retirement Arrangement (IRA) contributions that have not yet been made as long as the payment is made by the return's due date, according to a 1/13/84 IRS news release (IR-84-6). This means that a qualified taxpayer may claim an IRA contribution deduction on a federal income tax return filed in January, February, March, or early April even though the actual contribution is not made until sometime before midnight on April 16, or later with extensions. The IRS cautioned that additional taxes and penalties will be imposed for failure to make timely contributions which have been claimed on filed returns. For further information, contact Larry Batdorf at (202) 566-4024.

Farming Syndicate Expenditures will be the subject of a public hearing on proposed IRS regulations (see the 1/27/84 Fed. Reg. pp. 3490-91). The hearing will be held in the IRS Auditorium, 7th Floor, beginning at 10:00 a.m. on 3/8/84. Outlines of oral comments must be delivered or mailed by 2/23/84. For further information contact Lou Ann Craner at 202/566-3935.

In a related matter, Credit for Employment of Certain New Employees will be the subject of another IRS public hearing on proposed regulations (see the 1/27/84 Fed. Reg. p. 3491). This hearing will be held at 10:00 a.m. 2/29/84 in the IRS Auditorium. Outlines of oral comments must be delivered or mailed by 2/15/84. For further information contact Lou Ann Craner at 202/566-3935.

For additional information, please contact Gina Rosasco, Stephanie McCarthy, or Nick Nichols at 202/872-8190.

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